GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2392
ANSWERED ON:11.03.2016
CPI Inflation
Reddy Shri J.C. Divakar

Will the Minister of FINANCE be pleased to state:

(a) whether according to a report, Consumer Price Index (CPI) inflation in India is likely to come down on account of the expected rate hike by the US Federal Reserve in June, 2015;

(b) whether the crude-oil (Brent) prices have been falling in the last 6 months and if so, the details thereof;

(c) whether, with commodity prices moderating, the bank rates are eased and if so, the details thereof; and

(d) if not, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI JAYANT SINHA)

(a) The Government is not aware of any such report and further the US Federal Reserve did not carry out any rate hike in June 2015.

(b) Average price of crude oil (Brent) for the last 6 months, as per the World Bank, is given in Table 1.

Table 1: Crude Oil (Brent) prices (US Dollar/Barrel)

Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16
47.2	48.1	44.4	37.7	30.8	33.2

Source: The World Bank

(c) & (d) On account of sustained decline in inflationary pressures, the Reserve Bank of India eased the policy repo rates during 2015, making a substantial reduction of 125 basis points between January 2015 and September 2015